STATUS CONFERENCE

BEFORE THE

CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

FC-5

BONDERSON BUILDING

HEARING ROOM 102

901 P STREET

SACRAMENTO, CALIFORNIA

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Edie Harmon (via teleconference)

APPEARANCES CONTINUED
AICO DDECEME
ALSO PRESENT
Bridget Nash-Chrabascz(via teleconference)
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PROCEEDINGS

PRESIDING MEMBER BYRON: Good morning, everyone.

My name is Commissioner Jeff Byron and I'm the presiding member on the Imperial Valley Solar Project, formally Solar Two Project.

And I'd like to welcome you all to a status conference that we're having here at the Energy Commission at 10 o'clock here on the 21st of June.

I'm going to turn it over to our hearing officer in a moment to conduct this. But I just wanted to reiterate that what we're trying to accomplish here is based upon the evidentiary hearings that we conducted in El Centro I believe on May 24th and 25th. We were very interested in making sure we understand how all of the various moving parts for this project fit together so that we can come up with a cohesive schedule and make sure that there's sufficient time for review and analysis on the part of all the parties.

The Status Conference notice indicates that we're going to discuss the progress to date with the AFC process, with a particular emphasis on meeting the June 28th publication date for the supplemental staff analysis. And we're also interested in a discussion of the comments received on the staff analysis and the draft environmental impact statement and how that would be helpful to the

Committee in evaluating progress.

There's a lot of information that we'd like to gather at this conference. And we're not going to argue the points that have been made in some of the recent briefs.

Let me do this. Let me introduce my adviser to my right, Kristy Chew. And unfortunately because of scheduling constraints, Commissioner Eggert could not join us today. But his advisor, Lorraine White, is here. Commissioner Eggert's covering a meeting that I was supposed to be with him this morning.

And I think what I'd like to do, at this point, is ask that we go ahead and introduce parties. And I'm going to turn this over to our Hearing Officer, Mr. Raoul Renaud.

HEARING OFFICER RENAUD: Okay. Thank you, Commissioner Byron. Good morning, everyone.

This is a status conference which we called for the purpose really of hearing from the parties how things are progressing since the evidentiary hearings.

And before we do anything further, let's go ahead with the introductions. We'll be hearing first from the applicant.

Can you introduce the people you have here today please.

MR. THOMPSON: Yes, good morning. My name is
Allan Thompson, one of the co-counsel on this project. To
my right is Sean Gallagher of Tessera. To his immediate
right is Ella Foley Gannon, who is co-counsel on this
case. And to her right is Bob Therkelsen, another
consultant working on this. In our audience to our rear
is Angela Leiba from URS Corporation.

HEARING OFFICER RENAUD: Thank you very much. And from the staff please.

CEC PROJECT MANAGER MEYER: Christopher Meyer,
Project Manager for the Energy Commission on the project.
And Caryn Holmes is staff counsel on the project.

HEARING OFFICER RENAUD: Good morning to you both.

And intervenor CURE please.

MS. MILES: Loulena Miles for CURE.

HEARING OFFICER RENAUD: Thank you very much.

And I see we also have in the room Jennifer Jennings, our public advisor. Welcome.

This hearing is being stenographically transcribed and there will be a transcript of this published in the coming days.

We also have a telephone line open. And from the beeps, I can tell we have a pretty large telephonic audience.

Let me ask first if any of the formal intervenors to the proceeding are on the phone line.

Mr. Budlong, are the there?

MR. BUDLONG: I am indeed. I am hear.

HEARING OFFICER RENAUD: All right. You can hear us, I take it.

MR. BUDLONG: Yeah. There was a little stretch here, I think with all the -- I was hearing all those funny noises.

HEARING OFFICER RENAUD: All right. Thank you.

And let me ask all of you on the phone, when you do speak to us, speak loudly right into your telephone, because you're on a little speaker phone right in the middle of a large room.

Let me ask also, is Mr. Beltran present?

No. Anyone from California Native Plants society?

All right. Mr. Alimamaghani, are you present?

No.

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All right. If there anybody else on the telephone who would like to introduce themselves at this point, please go ahead.

MR. SILVER: Yes, this is Larry Silver, the counsel to Intervenor Budlong.

HEARING OFFICER RENAUD: Very good. Good

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   morning, Mr. Silver.
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             Anyone else?
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             MS. HARMON: This is Edie Harmon with --
             HEARING OFFICER RENAUD: Could someone make sure
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   the volume's all the way up on that thing.
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             PRESIDING MEMBER BYRON: Careful, careful.
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             MS. NASH-CHRABASCZ: This is Bridget
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   Nash-Chrabascz with the Quechan Tribe.
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             HEARING OFFICER RENAUD: One moment please.
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             PRESIDING MEMBER BYRON: Just go back one.
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             HEARING OFFICER RENAUD: All right. Edie Harmon,
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   would you try it again please louder.
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             MS. HARMON: Edie Harmon. I'm with Mr. Tom
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    Budlong.
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             HEARING OFFICER RENAUD: Perfect.
                                                 Thank you.
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             And then we heard from Larry Silver.
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             And then the next person, we didn't hear you.
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   Would you please start over.
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             MS. NASH-CHRABASCZ: I'm Bridget Nash-Chrabascz
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   with the Quechan Tribe.
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             HEARING OFFICER RENAUD: Very good. Thank you.
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    I recall you from the evidentiary hearing. Welcome.
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             Anyone else?
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             All right. That's fine. Let's go ahead then.
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             As I said, we called this Status Conference just
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for the purpose of checking in, make sure you haven't encountered any new obstacles; or if you have, to let us know.

We're hoping first to see a supplemental staff analysis on June 28th. I note you actually said June 27th, but I'm sure you didn't mean it. It's Sunday.

CEC PROJECT MANAGER MEYER: Yeah, that was just, I guess, 30 days from the end of the comment period.

HEARING OFFICER RENAUD: Okay. Well, we've granted you an additional day.

(Laughter.)

HEARING OFFICER RENAUD: Thank you.

All right. The applicant did file motions and asked that the parties be required to file responsive briefs by last Friday. The motions were filed last Monday. The Committee declined to meet that request. We don't think that's enough time.

We would ask though that any briefs you do wish to file be filed by this coming Friday, June 25th.

The Committee will not be hearing oral argument on those briefs. We will review the briefs and make any response that we deem appropriate, including none.

Ms. Holmes.

STAFF COUNSEL HOLMES: Will staff be allowed to brief those issues post-evidentiary hearing as is usual in

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HEARING OFFICER RENAUD: Absolutely.

STAFF COUNSEL HOLMES: Thank you.

HEARING OFFICER RENAUD: All of the legal and

factual issues will be open for briefing.

STAFF COUNSEL HOLMES: Thank you.

HEARING OFFICER RENAUD: So, with having said all of that, I think maybe the way to proceed would be to ask staff for just a brief status report. Anything new and exciting? How's it coming on the SSA?

CEC PROJECT MANAGER MEYER: As you can imagine -HEARING OFFICER RENAUD: Those of you who are on
the phone, if any of you have any trouble hearing, please
let us know. If you don't speak up, we'll assume you can
hear all right.

Those of you in the room, please keep your voices as loud as you can, particularly if you don't have a microphone.

 $$\operatorname{MR.}$$ THOMPSON: No mute. When they mute, we get the music sometimes.

HEARING OFFICER RENAUD: Yeah, don't -- and those of you on the phone, by the way, don't -- please don't use your mute buttons.

STAFF COUNSEL HOLMES: Don't put them on hold.

HEARING OFFICER RENAUD: Yeah, hold button.

Sorry, hold buttons, because sometimes that results in we're having to listen to your music.

All right. Go ahead. Staff.

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CEC PROJECT MANAGER MEYER: Just probably the first thing, this is probably one of the most critical days leading up to the publication. I've got about six outstanding calls trying to get staff refocused or get them responses that they need to get their analysis done. So quickest would be wonderful today so I can get back to that.

But there are some challenges on water alternatives that we are working frantically through. We're still scheduled to publish on Monday. And the only recent hurdle which the applicant is working on is the comment letter from Imperial Irrigation District and trying to figure out how to address that. And the applicant can probably fill us in with more details on supply power to the facility and how that's being addressed.

But that's where we are right now, is just trying to pull everything together. And we have the next few days to get consistency between all the sections that are now coming in.

HEARING OFFICER RENAUD: That's a comment letter that I believe just came in, didn't it, or a day or two

ago?

CEC PROJECT MANAGER MEYER: Yeah, last week I think is when -- we received it about three weeks after the comment period ended.

HEARING OFFICER RENAUD: Yes, I noticed that.

CEC PROJECT MANAGER MEYER: But we're still going to be addressing it.

HEARING OFFICER RENAUD: All right. Very good. Well, we'll try not to keep you here very long. That's partly why we decided not to address these briefs today. If we did that, we'd be here all day.

CEC PROJECT MANAGER MEYER: Thank you.

HEARING OFFICER RENAUD: All right. Well, let's hear from the applicant. What have you -- and we do thank you for the proposed schedule. We'll go over that shortly.

Any statement from the applicant?

MR. THOMPSON: Yeah, let me keep this brief. We believe that we have submitted everything that is required for the analysis. We believe the other agencies that have documents flowing into this process, to the best of our knowledge, are on time as well.

We think that the record is -- should be complete for staff to conduct its analysis.

With regard to the IID letter, that just did come

in. And I have seen numerous Emails between ourselves and IID. We believe that we will have something shortly addressing those issues.

We would hope that the IID issues are not -they're the kind that do not rise to the level of
importance to cause any delay in what we're doing here.

What I'd like to do, if you get to the schedule part of this, is ask Mr. Therkelsen to address those issues. He has been closer to the schedule issues than the rest of us.

HEARING OFFICER RENAUD: Can somebody give us a one-minute summary of the IID issues. Since that keeps coming up, I'm sort of wondering is there something in there that -- my concern.

STAFF COUNSEL HOLMES: IID identified the potential need for additional facilities and, not surprisingly, recommended that the Energy Commission include an analysis of the environmental effects associated with the construction of those facilities.

These are facilities that potentially be needed to provide electricity to the project. You're probably aware that the project needs grid power to create hydrogen and needs grid power in order for the facility to begin operating each morning.

MR. GALLAGHER: The status of that is that we've

since talked to IID. There was a paragraph in that comment letter that raised some eyebrows about additional work that might have to be done. It turns out that the connection to the IID system was described in the AFC. It is discussed in the staff analysis. We've now talked to the IID, and they've told us that the plan is to just connect the service drop to the distribution line that runs along the highway adjacent to the project site. So it doesn't require any additional ground-disturbing activities. And we're working on getting something in writing for them to confirm that.

HEARING OFFICER RENAUD: All right. Sounds good.

MR. GALLAGHER: If I could just sort of add to

Mr. Thompson's sort of opening statement.

I think the key thing today is to set out the schedule for the remainder of the case. And the reason we filed the briefs last week was to try to illustrate why we think that everything can move along on a reasonably timely track.

We have tried to be realistic, and the schedule that we distributed last week to you postpones the Commission's adoption of a decision by a couple of weeks compared to the prior schedule in recognition of the fact that there's still some additional work that has to come in and that we're going to need a final cleanup hearing

to -- or a final set of hearings to take in the Commission's supplemental Staff Assessment, some of the documents.

So we've tried to be realistic about how long it's going to take. And I think what we're hoping to get out of this is adoption of the final schedule and for some clarity that -- you know, that -- from our perspective, the record's adequate for the staff to complete their supplemental Staff Assessment. We're very happy that it's on track. And then just sort of set out the track for the rest of the case.

The one thing I think we will have to address is the cultural. And so I think that's not coming in on Monday. And it's our -- I think it's going to be key for this case that that come in on time to be addressed at the final set of hearings. And so we'll want to get that resolved today as well.

HEARING OFFICER RENAUD: All right. Thank you.

We are certainly interested in hearing input today regarding the schedule. We aren't going to agree on a schedule right now. The Committee will issue a revised schedule after this hearing, very shortly after this hearing. But we are very interested in hearing from parties about their views on the schedule.

Let's go back to the cultural, focusing on that.

How's that coming? I know that's been a problem.

CEC PROJECT MANAGER MEYER: Right. Since the original Staff Assessment draft EIS was highly reliant on a Programmatic Agreement which we are no longer going to be relying on, staff is stepping back and doing a full CEQA-compliant analysis, which is why it's taking more time, so we do not have, you know, any potential that something that happens outside of our control would potentially adversely impact the completeness of our analysis on cultural resource.

PRESIDING MEMBER BYRON: Mr. Meyer, that's new, right, since the evidentiary hearing, that you're not relying upon the Programmatic Agreement?

were hoping on this project and -- well, for on the Sterling projects too -- remain dependent on the Programmatic Agreement. Subsequently the decision was made by the Environmental Office writing the cultural that they needed to go and independently complete the analysis so that we didn't have any potential problems where if the Programmatic Agreement in its final form wasn't complete enough or if there are any potential problems, that we did not have an issue that came up too late for us to resolve it.

HEARING OFFICER RENAUD: Will you be able to make

use of the work that's already -- that was done for the SA on cultural?

we're going to be using that information and any subsequent information that we've gotten since that point. And I think we discussed it before. I'm not sure where it was reflected. But we were talking about the -- instead of the I believe the August 15th date that it had been discussed at one point, that we would be filing the cultural section to follow up on August 2nd. And that was in numerous discussions with our Environmental Office. That was as far up as I could push it, is that they were willing to commit to. They understand the pressure, they understand the urgency, and we'll be working to get that out as fast as possible to meet that August 2nd date.

HEARING OFFICER RENAUD: And would that -- do you anticipate that will include recommended conditions of certification?

CEC PROJECT MANAGER MEYER: Yes, it will be complete with conditions of certification as a normal Energy Commission-only process.

HEARING OFFICER RENAUD: Okay.

MR. GALLAGHER: We have some concerns about that timing. And let me explain them.

In order for the Commission to stay on a track

that's parallel to the BLM, Commission's decision should come out around the middle of September. And that's the day we proposed in the schedule that's in front of you.

And in order to meet that schedule, we suggested that final hearing be held approximately the 26th of July. And we further suggested that the cultural report should be filed -- that the -- or the SSA should be filed around the 12th of July so the parties can address it for the July 26th hearing.

The reason we think that staff ought to be able to make that date is that they have had the class technical report since December; they will I think have the BLM's admin draft final environmental impact statement this week, if you don't have it already, which will include a full analysis of cultural, we're told; the PA is near final and, you know, it can also be used for the staff's analysis. And of course we've suggested in -- I think everyone agreed that the mitigation in the draft -- in the SA draft EIS needed some work. And we've suggested a revised Cultural 1 mitigation condition that would be adequate. So we think there's enough to go on.

And I don't know if we -- I don't know what the rationale is for the change in approach by staff, and we can -- and if you'd like, you can ask them. But I think it's disconcerting to hear that the change in

approach may lead to a delay in this case that doesn't -- that may not be necessary.

PRESIDING MEMBER BYRON: Mr. Meyer, what extent can you address that? I mean, I was hoping that you'd gone in this direction to not rely upon a Programmatic Agreement because it would either speed schedule because you're not relying upon the input of others to complete your analysis or that -- you know, that you don't need the information that it contains.

Can you give me some sense of why you've made this change since the evidentiary hearing?

CEC PROJECT MANAGER MEYER: Partly in response to comments received from, amongst others, the applicant on how our cultural section, the conditions were written.

The concerns were brought up not, you know, just by parties but by the applicant as well on the defensibility of the document and the conclusions therein.

So when staff looked at those, they made the -the cultural resource experts, they made the determination
that they needed to go to something that they could write
without reliance on the Programmatic Agreement. And it
was first to speed things up and the fear that in going
back and forth between the two agencies trying to find
something that sort of worked with everyone with the way
that the draft Programmatic Agreement was stated now,

trying to come up with something completely new, there was concerns that that would take longer than anticipated.

So going with the traditional Staff Assessment format that we would have in a normal Energy Commission document is something we knew we could get in time, you know, which was the August 2nd date. That was one of the big focuses on it.

And the other big one is defensibility. There is a question on the Programmatic Agreement of, you know, not worrying about it meeting the NEPA standards, but more concerns of would it also meet CEQA standards. And by going this approach, staff is comfortable that it will be a CEQA-compliant document. Which we believed would be under the prior approach, but we didn't have enough of a level of certainty, and we did not, as I say, want to get so far into the process and then find out that we had a fatal flaw.

HEARING OFFICER RENAUD: One thing I think I can safely say on behalf of the Committee is that as these supplements come out, that the parties give a great deal of consideration and put effort into trying to come to agreement on them. Because if you can do that, we can keep the evidentiary hearing down to a fairly short process.

Staff, you know, is very experienced I think in

drafting analyses that are understandable to the public and that the parties can digest quickly, and that it has a potential at least for the parties to be able to come to agreement on.

So that's one place I see kind of a ray of hope here for being able to stay on track for the September final decision.

MR. GALLAGHER: And I would suspect that substantively we will be very close to agreement. Of course we'll have to see it before we can be certain.

I would note also that the Commission held I guess just about two weeks now -- two weeks ago now a hearing on cultural issues sort of more broadly. And this was one of the dockets that we considered it. So I believe the record taken at that hearing becomes a part of the record in this case.

We did submit a brief I believe in that -- for that hearing, as I say, I believe it's part of the record, that sort of laid out how the Commission can move forward based on BLM's work, because this is -- there's specific statutes that cover cultural resource issues that are more specific and more direct than -- and apply more sort of closely to the cultural resources used in the sort of traditional NEPA-CEQA dichotomy. And so the Commission really can utilize the BLM's mitigation and rely on the

BLM's proposed mitigation for its decision in this case.

And that may be another way to ensure that we are able to stay on track.

I think, you know, arguably you've got analysis in the SA that's adequate that can be -- can be relied on, and supplemented with the mitigation measures complied by BLM - and, Bob, help me out if I'm steering anybody wrong here - that would be adequate for a document.

I mean I guess we would hope it wouldn't get this far. But if the staff's unable to file something that's timely, that is a way for the Commission to proceed and issue this decision in a timely manner.

HEARING OFFICER RENAUD: The Committee really isn't in a position to order staff to do anything, you know. We aren't going to tell staff, "You have to do it faster." I don't think that's really -- we have to accept it on good faith, Mr. Meyer telling us as project manager that this is what we can accomplish. What we need to do is look for ways to make all that work.

I'm thinking -- and, again, this is just talking, we're not deciding when the schedule or issuing a schedule and order here -- that we know we're going to have another evidentiary hearing session, that this proposed schedule calls for late July, which would work well with the June 28th supplemental. Except the cultural won't be there.

We might need yet one more evidentiary hearing session just to cover the cultural. And I think we're just going to have to face that when we come to it.

But I would suggest that people start looking at late July, early August as the next evidentiary hearing session. And if anybody has firm vacation plans around that time period, probably ought to speak up now so we'll look for dates.

I see Ms. Holmes.

STAFF COUNSEL HOLMES: Not me, unfortunately. I wish it were me.

MR. BUDLONG: This is Tom Budlong. I do have plans in that period. I'm going down to Peru.

HEARING OFFICER RENAUD: All right. Would you be able to phone in from Peru for the hearing?

MR. BUDLONG: I don't think so.

(Laughter.)

HEARING OFFICER RENAUD: All right. Do you have firm dates, Mr. Budlong, when you're going to be gone?

MR. BUDLONG: Yeah, I'm looking at my calendar here. It looks like I leave on July 28th and I return on August 10th.

HEARING OFFICER RENAUD: All right. Well, we'll take that into account. I can't guaranty that we're going to be able to accommodate everyone. But thank you for

that input at least.

MR. BUDLONG: And A lot of that is walking the Inca Trail. And I don't think they have phone lines down there.

HEARING OFFICER RENAUD: All right.

PRESIDING MEMBER BYRON: Before getting down into this level of detail with regard to schedule, let's go back to some of the key issues, the line of questioning that you were taking us down earlier, Mr. Renaud.

I'm curious, a question to the staff, do you have all the data that you need to do the analysis that you've indicated, sort of a staff analysis?

What do we call it?

HEARING OFFICER RENAUD: Supplemental.

PRESIDING MEMBER BYRON: Supplemental Staff

Assessment for cultural resources?

CEC PROJECT MANAGER MEYER: I'm trying to track down the last piece to find out if we have it, because the applicant alluded to the separate case, I think 10-CRD-1, that's in reference to the --

HEARING OFFICER RENAUD: -- the data, yes.

CEC PROJECT MANAGER MEYER: -- the data -- staff used data from the BLM. I'm not sure if we have everything that's the same that the BLM is basing their final environmental impact statement on. But I do believe

staff has enough information to do a complete analysis, and that any changes that we would talk -- we would discuss in the evidentiary hearings would be minor.

STAFF COUNSEL HOLMES: We also need the IID confirmation that there are going to be no additional facilities needed in order to --

PRESIDING MEMBER BYRON: What was that last acronym?

HEARING OFFICER RENAUD: IID.

CEC PROJECT MANAGER MEYER: That's Interior Irrigation District.

HEARING OFFICER RENAUD: Yeah, I think we heard from applicant that that -- they're in the process of getting that confirmation.

STAFF COUNSEL HOLMES: But I wanted to emphasize that it is an important piece of information.

HEARING OFFICER RENAUD: Absolutely. We understand.

Let's hear from CURE if you have anything to add to the discussion at this point.

MS. MILES: Well, I would like to add that I attended a meeting with the BLM last week regarding cultural resources for this project. It was a consultation meeting. And we discussed the Programmatic Agreement. And a number of tribal members were present

and expressed concerns about traditional cultural properties. And now that the BLM-Energy Commission processes seem to be diverging, I'm wondering how the Energy Commission will be capturing information in terms of impact identification and significant analysis establishing what is the significance of the impact and the significance of the resources, since I have noticed that the Energy Commission staff has not been attending the consultation meetings.

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So in terms of gathering information, is that something that staff is doing independently with the tribes? Because -- and my understanding in the Genesis proceeding - my colleague from CURE is working on that proceeding - that in the Staff Assessment, it said that the Energy Commission needed to get information from the tribes to determine traditional cultural properties and significance of impacts.

CEC PROJECT MANAGER MEYER: I can respond to that.

We received requests early on and continually from the BLM that allow them to be the sole point of contact with the Native American tribes. Our staff has been involved in several of those meetings. But in this last one our staff was not available to attend.

But we're going to be working when we're not

attending those with the BLM. We'll be working with -- between our staff and BLM's staff to address traditional cultural properties.

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So, you know, we are aware of the need for that information. And when our staff is available, they will be speaking with the BLM cultural resource specialists on the meeting on traditional culture properties.

HEARING OFFICER RENAUD: Good. Thank you.

MS. MILES: And also I had a couple of other questions, one relating to the biological opinion and the status of that. In particular, I know that there were some questions about impacts to peninsular bighorn sheep. And I'm wondering if I could get an update from, I'm not sure, the applicant or the staff regarding what the status of the Fish and Wildlife Service, you know, evaluation of that is.

STAFF COUNSEL HOLMES: Staff doesn't know.
HEARING OFFICER RENAUD: Biological opinion.

MS. GANNON: They are considering those impacts as part of the Section 7 consultation, and it will be addressed in a formal biological opinion, which will be issued.

HEARING OFFICER RENAUD: Do you know when?

MS. GANNON: It is scheduled for July 12th.

HEARING OFFICER RENAUD: All right.

MS. MILES: And then my last question is regarding mitigation proposal for flat tail horned lizard -- impact to flat tail horned lizard. And I know that at the Staff Assessment workshop quite awhile back, there were many questions unresolved about that mitigation proposal. And I was wondering -- staff had said that they were going to be in contact with BLM. And I wondering if I could get an update from staff about any discussions that have occurred and where that's going with the mitigation proposal.

Have you resolved that issue?

STAFF COUNSEL HOLMES: Yeah, staff has been in consultation both with BLM and U.S. Fish & Wildlife Service. And there will be mitigation identified in the Condition of Certification and the Staff Assessment that comes out on Monday.

MS. MILES: Okav.

HEARING OFFICER RENAUD: Good. Thank you.

All right. Any intervenors on the phone wish to comment at this point on what we've been talking about so far? We heard from -- Mr. Budlong, I know you're there, and Mr. Silver, I know you're there.

Bridget Nash, do you wish to say anything at this point particularly on cultural?

MS. NASH-CHRABASCZ: I'll do the best I can.

I've kind of lost my voice. So I hope you guys can hear me okay.

HEARING OFFICER RENAUD: Just fine. Thank you.

MS. NASH-CHRABASCZ: Okay. Well, there was a meeting last week with BLM and there were several tribes that were there. Numerous tribal representatives stood up and they, you know, aired their concerns about the project and the fact that the tribal community -- the resources that are there belong to the tribes. And nobody has really come out and spoken with the tribes.

Numerous tribes, including our own, mentioned the fact that consultations so far has been, you know, BLM sending out a letter or an Email with the tribes requesting information. And so far we still haven't been given that information. The Cultural Board has still been delayed.

The PLE may come out in draft form in July, as I understand it. But it's no where near final. And it's continuing to be worked. Many of the tribes said that they have concerns about it. Some tribes have said that they won't sign it.

There are a lot of cultural concerns out there. And I keep hearing, you know, "Well, we need to rush it. We need to get this done," you know. "How dare staff delay this until August 2nd to try and really go through

this information." But there's a lot information involved. And I really hope that everyone does take a step back and really look at the impacts. Because it's not just within this project area. It's the entire cultural landscape, with all of the projects that are proposed on adjacent BLM lands as well as adjacent private lands in Imperial County.

That entire landscape there, it does tell a story. There are some religious connections there as well. I mean it just really needs to be understood. And without going to the tribes and really sitting down and talking with the tribes, it's really not going to be understood.

And I think now there are several tribes that are wanting to be heard. But at this stage, at least I can say with BLM, is that the biggest complaint now is that, while the tribes go to the meetings and they say things, but nobody's really listening. They're being heard, but nobody's really listening to what's being said.

So, you know, I personally would like to thank the staff for saying, "You know what, we need more time," because there's a lot going on. And I would just like to encourage staff to really reach out to the tribes and maybe sit down one on one with the tribes, because a lot of the tribes aren't going to participate in this manner

like I am now. They'd rather sit down one on one and have these conversations.

So --

HEARING OFFICER RENAUD: Well, thank you. We appreciate that input.

MS. NASH-CHRABASCZ: -- I hope that adds -HEARING OFFICER RENAUD: And I'm sure that the
staff is doing everything that it can and will do
everything it can to make sure that there's full
inclusiveness of all affected parties.

What other business should we consider taking care of here this morning?

One moment please. Off the record.

(Thereupon a discussion occurred off the record.)

HEARING OFFICER RENAUD: Okay. We're back on the record.

Focusing on staff again. You've I think seen for the first time this morning a proposed schedule from applicant. It calls for a publication of the PMPD on August 9th, which doesn't really -- wouldn't really be feasible if the cultural section isn't out until August 2nd.

Any comments, thoughts about that proposed schedule from you? I think that the minimum that we -- you know, if August 2nd is the cultural section, we could

hold evidentiary hearing two weeks after that. We'd have to have an evidentiary hearing before we can publish a PMPD. That would get us into, you know, the latter part of August for the PMPD.

I could see getting still getting to a final decision hearing at the end of September. I mean that's, you know -- but let me hear if you have any thoughts or comments. Or if you don't, that's okay.

MR. THERKELSEN: Mr. Hearing Officer, perhaps it would be useful for me to explain how I pulled this together sort of as a background.

HEARING OFFICER RENAUD: I understand.

Let's hear from staff first.

MR. THERKELSEN: Okay.

STAFF COUNSEL HOLMES: I have -- staff has two comments on what we, as you correctly identified, have seen for the first time this morning.

First of all, I think we would prefer to go forward with the hearings on all things but cultural in July. I don't recommend waiting until August to hear the remainder of the items.

I do think that there will need to be a subsequent hearing for cultural in July. This would be similar to the schedule that's been proposed for the Calico project, where there will be hearings on all issues

except for cultural, and then two weeks later a morning or so devoted to cultural.

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The second point that I have to make is that I am concerned that one day is not sufficient for these hearings, given the fact that staff has not put on its case yet on the contested topics of soil and water and biological resources.

HEARING OFFICER RENAUD: All right. Thank you for that. And we'll certainly look for -- to schedule this in such a way that there could be a second day, if needed.

STAFF COUNSEL HOLMES: And when you are ready to hear about constraints on schedule, I would happy to talk to you about that.

HEARING OFFICER RENAUD: All right. I think -- you're talking about personal plans?

STAFF COUNSEL HOLMES: I'm talking about the -both members of the biological resources team have
vacations planned in this general timeframe. And I think
it would be important for the Committee to know. And that
is so that we could have witnesses at the hearing.

HEARING OFFICER RENAUD: Yeah, witnesses can be a problem too.

STAFF COUNSEL HOLMES: It's a good thing.

HEARING OFFICER RENAUD: As you can see, going

in -- as Commissioner Byron pointed out to me, it's pretty much impossible to accommodate everybody's schedule.

STAFF COUNSEL HOLMES: Well, staff --

HEARING OFFICER RENAUD: But if there are critical, you know, people that you can't go without, you know, we do have to look at that.

STAFF COUNSEL HOLMES: Well, staff's biological resources experts are not available the 28th and the 29th nor the first week of August. So the 26th and the 27th they are available.

HEARING OFFICER RENAUD: All right. Well, we're kind of thinking that this -- those two dates might be the ones. Even Mr. Budlong will still not yet be in for the...

All right. Mr. Therkelsen, why don't you give us a very brief rundown of your thoughts here.

MR. THERKELSEN: Very brief rundown. One of the things that the Commissioner asked for were the moving parts. And I'd like to point out some of the critical moving parts.

Line number 22 is the LEDPA. Our expectation is that the Corps will release their LEDPA the first part of July. July 9th is their target.

Second is the biological opinion on line number 23. And the Fish and Wildlife Service's date for the

biological opinion is July 12th.

And then the third moving part, as we've been talking about, is the PA. And on line number 33, August 2nd is the date that BLM is scheduled on their schedule to sign the PA, with the signatories -- other signatories coming in by August 15th.

So the date in terms of the draft and the final PA is a little squishy. I've got down there on line number -- for example, on number 19, June 21 is the date for the final cultural PA. We know that is going to be late because they're accepting comments on the draft until June 26th. But -- what did I say?

MS. GANNON: 24th.

MR. THERKELSEN: June 24th is when they're accepting comments. So the final wouldn't come out on June 21st. If not, some date after that, and it will be the first part of July.

The other thing I think that is very critical to notice is the date of publication of the final environmental impact statement. That's line 26. BLM's schedule is July 16th. And everything we understand, they're very firm and committed to that date.

So all of those pieces will be in place before the evidentiary hearings if the Commission holds it on the 26th. The 26th is a Monday And, yes, Caryn, I suspect

the possibility that being two days for that hearing. So the 26th and 27th.

The critical thing, BLM right now is shooting for a mid-September decision date. Line number 47, I show a 9/24. That's kind of their worst case. The expectation is it will come out a week before that. But I wanted to put sort of their worst case in there for you to see. Their target is the 15th. And in terms of constructing the schedule, I was looking at the opportunity for both the BLM and the CEC decisions to come out at essentially the same period of time.

The cultural is very problematic on this schedule because of when it comes out. And one of the issues -- I think there's three things to think about. First of all, there is an abundance of information on cultural in the record. And, secondly, the cultural resource is on BLM land, and BLM is the expert. They're the ones that are going the decide the mitigation. Staff can recommend things, but the BLM ultimately is going to make the decision.

And BLM has assured us -- and it sounds like this is not occurring -- but assured us that they will be sharing draft -- administrative draft of the FEIS with the staff. We are aware -- the U.S. Army Corps of Engineers said they received a draft of the cultural FEIS section.

So the staff expectation would be that staff would have that as well and would be looking very closely at that as sort of the moving document, reviewing it to make sure that it's something that they can stand on. And then they could, based upon their review again, accept that as their document. That has happened in other cases, the geyser referral cases. Most of those projects are located on BLM land. And years ago when we did joint environmental analysis with the BLM, the Energy Commission staff, if you will, relied on an analysis done by the BLM, reviewed it, accepted it as their own, and incorporated it into the record.

They didn't have to do an entire independent analysis. And I would suggest that is something that could be done in this case.

MS. MILES: I'd like to just add something briefly about the BLM's mitigation proposal and their analysis regarding cultural resources.

The initial draft's Programmatic Agreement that came out referenced the Staff Assessment draft EIS as the document that would have the mitigation plan. Of course the Staff Assessment pointed to the Programmatic Agreement as the document that would have. But let me provide just a couple more quick details.

And since that first PA came out, many agencies

commented -- or the Advisory Council for -- the Advisory Council for Historic Preservation as well as the National Trust commented that they needed to lay out mitigation.

And so the Programmatic Agreement has gone from, I don't remember, under 50 pages to over a hundred pages now. And still there's no mitigation plan in that Programmatic Agreement. It has a blank page where there's a historic properties treatment plan. And so I don't think that it would be wise for the Energy Commission to rely on that document as the mitigation proposal, because it's not far enough along.

MR. THERKELSEN: I think in part I think staff was correct. We did indicate concerns over the defensibility of the mitigation in the Staff's Assessment. We also proposed language that could take care of that particular issue. Again, I haven't seen the administrative draft that BLM has done. But they may have mitigation in there. And the staff indicated earlier on their workshops they were going to prepare criteria guidelines or whatever would be related to mitigation.

And so, you know, we are, I am, very concerned about that late date in delaying the entire case.

HEARING OFFICER RENAUD: Right. Well, let me ask you a question.

You've got the final decision from the CEC on

September 15th here.

MR. THERKELSEN: That's correct.

HEARING OFFICER RENAUD: Suppose we made that September 29th? If we got two weeks in there, it will still be before the end of September.

MR. GALLAGHER: You know, I think we'd have to go back and review that before we could tell you whether that's something that we would be happy with. I mean I think from our perspective there's a way to get to the end line here by the middle of September, and that would be our preference that the Commission take up. I'd be happy to try to get you a, you know, more formal response on September 29th.

You know, I think the other concern we have though is that -- and we sort of know what's in the SA/DEIS and we have an understanding of what's going in PA. I think substantively we have some concern about the Commission doing a separate cultural analysis than the BLM, and those analyses coming to different conclusions or suggesting mitigation, or staff suggesting some mitigation that BLM is not going to impose. And recall that BLM's land would be on, I think -- if I understand this correctly, will ultimately, you know, make the decision on what mitigation is actually done for these resources.

So we're a little concerned that something may

come out that throws a wrench not just into the schedule but substantively. I'm not sure how we address that. But I think there's a path that Bob has laid out, in fact we had it in our briefs in the CRD case, give you an approach.

HEARING OFFICER RENAUD: All right. Thank you.

I throw out the September 29th date because that's the date we've widely around here viewed as the final date for our cases. And there's a business meeting on that date.

You know, I personally don't see why that wouldn't work here. But if you have or can come up with some information that would lead the Committee to believe otherwise, that would be helpful. That's an extra two weeks, that's a critical two weeks that could make the difference here.

MR. GALLAGHER: Right. I guess I'd want to get some clarity on that there being a way to actually get to September 29th. Maybe that's something that we should talk about provisionally here, because I'd hate to see us say, okay, September 29th, but then we'd work our way backwards and find that doesn't work either.

HEARING OFFICER RENAUD: Well, if the August 2nd -- if cultural is August 2nd -- and that's kind of the latest date -- I mean it sounds like there's a glimmer of

hope that it might be sooner, but let's not count on that.

Let's say August 2nd, minimal --

PRESIDING MEMBER BYRON: Just so I'm clear, what is August 2nd? Because it's not on this proposed schedule.

HEARING OFFICER RENAUD: That would be the cultural -- release of the cultural staff analysis.

MR. THERKELSEN: That would be line number 25, instead of the 7/12 date that we were thinking would be feasible, it would be moved down to August 2nd.

HEARING OFFICER RENAUD: August 2nd. So 14 days at the minimum time after that date we could hold evidentiary hearing. So that's -- now we're in mid-August.

We could probably -- yeah, I'm sure we could get a PMPD done by the end of August. And then we'd have 30 days, get us to the end of September. So I can see that working.

PRESIDING MEMBER BYRON: And would there need to be an additional evidentiary hearing date for the cultural resources?

HEARING OFFICER RENAUD: There would, and it would need to be mid-August. We have to wait 14 days. So it would be 14 days before we could do that.

But mid-August, any time after the 16th would

work. And publish a PMPD, then in 30 days minimum to a decision.

So I can see that working, yeah. We've got extra resources available to help publish PMPDs quickly. So, yeah, I can see that happening.

PRESIDING MEMBER BYRON: And I'm glad you have such clarity around this, Mr. Renaud.

So with regard to an evidentiary hearing to cover what we would anticipate would be the remaining item around cultural resources, would we issue a revised PMPD?

HEARING OFFICER RENAUD: That would -- well, there would have to be a -- we would have an evidentiary hearing that would just cover the topic of cultural resources. At the conclusion of that hearing, we would have held evidentiary hearings on all topics. That would trigger the ability to publish a PMPD. What we would call it, I'm not sure. But it would be the Presiding Member's proposed decision. Since there hasn't been one before, you know, I don't think we'd be concerned about revisions to it at that point.

Then it's open for comment. And based on what we get, we would determine whether there would be an errata to it or whether more substantial changes would be needed. That's a problem we'll face when we come to it.

MR. THERKELSEN: Mr. Hearing Officer, then if I'm

interpreting that right -- I'm throwing a hypothetical -- HEARING OFFICER RENAUD: Yes, good.

MR. THERKELSEN: If 8/2 is the staff's analysis, and, say, the evidentiary hearing on 8/16, then hypothetically you could come out perhaps with PMPD on 8/20.

HEARING OFFICER RENAUD: Yes.

MR. THERKELSEN: And a 30-day review would be done on 9/19. And that would allow a decision then, you know, the week after or ten days after at your 9/29 date at the latest.

I'm assuming then that there either would be no briefings on cultural or briefings would be due a couple of days after that hearing and that would be it.

HEARING OFFICER RENAUD: That's right. We'd have to -- if we were going to have briefings, they would be expedited.

MR. THERKELSEN: Okay. I know that you can't order staff -- or you said you could not order staff to do anything earlier on cultural. Is there any way that you can request them to look at something maybe even a couple of days earlier?

HEARING OFFICER RENAUD: Well, I know staff -- staff is aware of everybody's interests in proceeding with this as expeditiously as possible. But staff's an

independent party here. And I have every confidence that staff is doing everything they can.

MR. THERKELSEN: But I would also wonder if staff is looking at the approach of looking at the FEIS, the cultural analysis being done by BLM, and looking at that independently to see if they can accept that as their approach after they've done their verification -
HEARING OFFICER RENAUD: That would be up July

HEARING OFFICER RENAUD: That would be up July 16th -- right, July 16th.

MR. THERKELSEN: Right.

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MR. GALLAGHER: But they should have the admin draft this week.

HEARING OFFICER RENAUD: All right. Well, Mr. Meyer, are you planning to look at the admin draft of this --

CEC PROJECT MANAGER MEYER: As soon as I get it.

I've been talking with BLM. I haven't seen it yet. But I will I find out why I haven't seen it yet.

HEARING OFFICER RENAUD: Yeah, that's -- and I'm sure to the extent you can make use of it, you will, right?

CEC PROJECT MANAGER MEYER: Yes.

HEARING OFFICER RENAUD: Okay.

MR. THERKELSEN: You're more confident than I am.

(Laughter.)

HEARING OFFICER RENAUD: We have to -- we have to trust one another and assume everybody's working as best they can in good faith. And that's the only way to do this.

2.4

MS. GANNON: We'd like to reiterate though I think with regards to the mitigation, if -- as we put in our briefs in the consolidated hearing, again think about what's feasible in terms of mitigation with recognition that the staff is on BLM land. It's federal land and federal resource.

So that, you know, we would encourage them to also consider, you know, a can and a should approach and criteria as we had suggested in our comments. Because we do have a real concern about getting mitigation measures assigned to us that we cannot carry out. If we are ordered to do something on BLM land that BLM says no, we can't do it. So to the extent that that can be taken into consideration, we're very -- we're very concerned about that.

HEARING OFFICER RENAUD: Well, if there's any opportunity perhaps before August 2nd to hold some kind of workshop or other forum regarding mitigation on cultural, you know, that might be helpful --

CEC PROJECT MANAGER MEYER: Yeah.

HEARING OFFICER RENAUD: -- to head those

problems --

STAFF COUNSEL HOLMES: I'll just point out that this isn't -- because we are proceeding in response to requests from the applicant for a Staff Assessment now before we have the LEDPA and before we have the biological opinion and before we have the administrative draft, we do run the risk of staff recommending conditions of certification that may be different than what BLM recommends in a number of areas. It's not just cultural resources. We've taken this approach at their request, we're proceeding with it. And we presume that if there are conflicts or different types of approaches, the Committee will have to deal with it through the hearing process.

HEARING OFFICER RENAUD: Well, and I'm glad that you brought that up.

Well, go ahead. I'd just like to voice -MS. GANNON: I was just going to say, the one
thing is cultural resources are different in several ways
about the way the trade is under the law, because -- for
example, mitigation to impacts to waters of the U.S. If
staff says something different, then, you know, we can
bring that up and -- but there's always a possibility we
could meet both if that's what's required, if the Corps
required one ratio and the staff recommends something

different, you know, that's not conflicting. The problem with cultural resources is that it's on federal land, it is a federal resource that we can't -- if the mitigation is generally related to what you're doing on the ground mostly with regards to cultural resources. So they order us to do something that we can't do. Let's say with data recovery, a normal mitigation measure. If the BLM says you can't do data recovery with this source on our land, we can't do it.

So that's why I'm raising these specifically cultural resources as a different issue than some of these others.

In the other areas, you're right, there may be things that we need to talk about at the hearings.

CEC PROJECT MANAGER MEYER: If you want me to -- just very briefly,

HEARING OFFICER RENAUD: Sure. Please.

CEC PROJECT MANAGER MEYER: This issue has been brought up, you know, with our management. It's gone right up to our deputy director, who's spoken with his counterpart at the BLM. And my understanding, at this point the BLM understands that there might be differences and expressed that there'll be differences in his -- talked about the willingness to support the Energy Commission's mitigation in these -- in cultural resources

specifically.

But at that point, I might just have the assurances from my deputy director that this issue has been discussed with the BLM. And if the BLM has comments that they raise on what staff puts in their supplemental Staff Assessment, as Caryn mentioned, we would look to the Committee addressing that in the hearings, because the BLM will have a chance to make comments, you know, before our final decision.

HEARING OFFICER RENAUD: And we will certainly look forward to those comments too.

All right. Appreciate all this input you're giving us. And it really does sound like a lot of the concerns that applicant is raising, the staff is aware of and is doing what it can to head those off.

PRESIDING MEMBER BYRON: I just want to make sure that I understand a couple of things here.

First of all, if I could, on the part of the applicant, is it clear in your mind that we could have conflicting conditions from both the BLM and the PMPD. And I'll let you respond other than just a nod of the head.

MS. GANNON: Because we haven't seen the conditions particularly with regard to -- I mean what we're very concerned about is cultural resources, because

we're hearing, really for the first time today as clearly as it's been set out, that there's a whole new analysis being undertaken and a whole new -- potentially new mitigation approach that we have not seen.

The other areas, you know, as set out in the Staff Assessment, we're assuming that those mitigation approaches are probably not going to be changing in any dramatic form.

So we are less concerned about the other resources that the cultural resources -- I mean if it's going to be conflicting, we have no idea, because we haven't seen anything. We really substantively just are at a loss.

PRESIDING MEMBER BYRON: There's not going to be a lot of time for you to see them and for you to come back to this Committee and determine whether or not you're going to comply with them. I'm thinking that we're likely going to ask you to -- I may not say this correctly. But the more restrictive conditions are the ones that will likely apply.

And so I'm turning to the applicant at this point and asking you, so do you agree to that?

MS. GANNON: We have to see what they say. I mean if the restrictive conditions were all potentially eligible cultural resources on the project site need to be

completely avoided, that we know is not possible. So that's why we can't say for certain that we can comply with the most restrictive method. I mean we have through the process avoided what we can, have been working very closely with the BLM and others to try to identify the appropriate mitigation.

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So it's hard to respond to that in an affirmative manner with the caveat that it's the most restrictive.

MR. GALLAGHER: I think we -- what we try to do is identify first from the get-go, before we filed the AFC, is to avoid the most sensitive areas. As you're aware, we cut down the project from 900 megawatts to 750 megawatts to avoid --

PRESIDING MEMBER BYRON: However, how many sensitive areas do we still have, Mr. Gallagher?

MS. GALLAGHER: Well, there are some. And we can't talk about any detail here because that's confidential information.

PRESIDING MEMBER BYRON: Just the number. I think it's like 300 and something, isn't it?

MS. GANNON: That's the total number. That's not the recommended eligible number. It's much, much, much smaller than that.

PRESIDING MEMBER BYRON: What, 40?

MS. GANNON: A couple dozen.

PRESIDING MEMBER BYRON: Okay.

MR. GALLAGHER: So we're doing avoidance to the maximum extent practicable. And we are -- you know, we have a -- well, we're working with the BLM on what the additional mitigation might be. But I think the concern is that if the staff were to ask for additional avoidance than the BLM has requested or for mitigation that's different from what BLM asked for, then we get into this position to where we can't necessarily do what BLM -- other than what BLM is telling us to do. That's the place we'd like to avoid.

HEARING OFFICER RENAUD: I think we understand that. But, again, these are really the kind of issues that we can't address in specifics until we see the staff analysis. And then at the evidentiary hearing these kinds of things can be adjudicated. So I mean that's -- we understand your concerns and we understand that there may be some conflicts that are going to have to be resolved. But we can't do that in advance. There's just no way to do it.

MR. GALLAGHER: And this is -- again, this is why Bob and I keep coming back to the concept that the staff can lawfully and create a defensible document that relies on BLM's work in this area. That's something that you can do, and that we hope that staff will do to the maximum

extent.

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PRESIDING MEMBER BYRON: And so if I may, let me ask staff if you can respond. If I understood correctly - and please correct me if I didn't get this right - the applicant asserts that the staff has sufficient information on cultural resources from the BLM and that the Programmatic Agreement is what you should be relying upon; is that correct?

MR. THERKELSEN: And the FEIS.

MS. GANNON: And we specifically recommended in the conditions that they --

PRESIDING MEMBER BYRON: But the FEIS is not out yet.

MR. THERKELSEN: But the administrative draft is being circulated. And we had been assured, had been assured several times by BLM that they will be sharing it with the CEC, and had fully expected that to be the case.

PRESIDING MEMBER BYRON: Okay. I know, Ms. Gannon, you want to add something. But I'm looking for staff response to these things.

STAFF COUNSEL HOLMES: Well, staff has not seen the administrative draft. And as CURE accurately pointed out, we had planned to rely on the Programmatic Agreement with the understanding that it would contain performance standards, mitigation measures, the kinds of things that

are required under CEQA, and it did not. And we were not comfortable sitting and waiting for an administrative draft to see if it was going to be sufficient and run the risk of it not being sufficient and trying to work things out with BLM at the last minute, and we decided to proceed. We thought that we could proceed and produce an analysis that would allow the Commission to meet a September decision date. We thought that was the safest measure and we thought that was the best way that we could ensure that the Commission's CEQA obligations were complied with.

PRESIDING MEMBER BYRON: Yeah, that's how I understand your effort. Correct me if I'm wrong, but that you're trying to keep this schedule moving forward without the availability of documents.

STAFF COUNSEL HOLMES: That's correct. We saw potentially a greater risk of schedule delay by taking the approach that the applicant has suggested, should the federal documents not meet CEQA requirements.

PRESIDING MEMBER BYRON: Yeah, and that's how I took it. And I was confused -- actually I was concerned when the applicant came back here in the hearing that we're conducting today indicating that you should not be heading down that path, that it may delay schedule.

25 | That's kind of disconcerting to me.

But go ahead, Mr. Meyer. I'm looking for some dialogue on this subject because I'm trying to gather information.

CEC PROJECT MANAGER MEYER: Yeah. As the applicant pointed out numerous times that they're having lots of discussions with the BLM. Because of our process, we're not involved in those, because there would be a lot of unnoticed meetings or negotiation of mitigation that we cannot have outside the public forum.

So what we basically would be seeing is the result of all of those negotiations without actually any insight into the decision-making process that got us to that point. And without knowing how extensively that's going to be reflected in the BLM's document of all the iterations, decisions, the negotiations, it makes it a little harder for us to, as Caryn said, plan on that being our process.

So we think that we're doing the best. If that turns out to be a beautiful, complete document that fully addresses CEQA concerns, I will go to our Environmental Office and, you know, ask them, even if not to adopt it as their own, to at least use as much of it as possible to cut more time off of the production of our document and also to -- if the mitigation is sufficient, to adopt that as well.

But the one concern was which -- we were looking at the Programmatic Agreement to have potentially a fieldwork component where there would be additional investigations that would help you narrow down, you know, the 300 sites -- or 339, whatever it was, down to the smaller number that -- you know, I'm not aware of what that is yet. Then we'd have sort of a scientific or an analytical background for going from this large number to the smaller ones, that are significant, and then a plan to deal with that smaller number.

Right now I have a large number. There was a plan to deal with that. And if -- and staff just needs to be very comfortable in how we get there.

PRESIDING MEMBER BYRON: I'm going to make sure everybody has a chance to comment on this. So I'm not trying to restrict comment at all. But the dialogue is helpful.

A quick question for staff. Why don't you have the administrative draft of the FEIS at this point? Is not available? Is it being restricted?

CEC PROJECT MANAGER MEYER: I have to find out if that's part of the 10-CRD-1 issue. I know that in one of the other --

PRESIDING MEMBER BYRON: Just for -- so we're not speaking in code, what's 10-CRD-1?

CEC PROJECT MANAGER MEYER: I'm sorry. There was a separate proceeding that was open to address the fact that the BLM has asked for all of the cultural information back.

PRESIDING MEMBER BYRON: Right.

CEC PROJECT MANAGER MEYER: And to this point, all the new cultural information on any of the projects that I'm aware of has not been shared with staff. Or in some cases staff may have gotten a severely redacted version of the information that may or may not be useful in their analysis.

HEARING OFFICER RENAUD: Would it be useful for you to have the administrative draft?

CEC PROJECT MANAGER MEYER: Yes. And my understanding from talking to the BLM -- my BLM counterpart is that we were going to get that. But there was still a question at that time of whether we would be getting that -- getting the cultural resource section of that.

So this is first I heard that we were going to get the cultural resource section of that administrative draft, which would be very helpful.

MS. GANNON: For clarity though, the administrative draft or the FEIS, none of that is protected.

CEC PROJECT MANAGER MEYER: Yes, that's true.

MS. GANNON: This is exactly what's going to be publicly released. So there's no redacted information in any version that you get. That will be the full analysis. It wouldn't be -- and that's different in the cultural resource --

CEC PROJECT MANAGER MEYER: Right. It was not an issue of confidentiality. It was an issue of the draft document.

STAFF COUNSEL HOLMES: It's an issue of the confidentiality of the draft rather than an issue of the confidentiality of the cultural resources information.

MS. GANNON: Right. But since they were distinguishing, yeah, a cultural resource from other sections, they're not being treated any differently.

CEC PROJECT MANAGER MEYER: Right. It was just that BLM had expressed a greater deal of concern on whether it was confidential or not, but just the release of the draft information on cultural.

So I will work with my counterpart to address getting that information to staff as quickly as possible.

HEARING OFFICER RENAUD: So that's not a public document then, the administrative draft?

MS. GANNON: It's currently within the federal agencies. At the last Renew Energy Agency team we were

told that -- or was meeting with the BLM. They said they were willing to share it with the staff, that they thought that would be helpful. We know that it has gone to the other federal agencies for their comments. It's going through their internal process --

HEARING OFFICER RENAUD: Okay.

MS. GANNON: -- and then will be released. But until it's released, it's an agency --

CEC PROJECT MANAGER MEYER: Yeah. Yeah, generally the admin draft is just -- it's sort of like when we have a draft of our final Staff Assessment, that just goes around the building internally for comment. That's the stage it's at.

PRESIDING MEMBER BYRON: Ms. Gannon, I cut you off earlier. Is there something else you wanted to add?

MS. GANNON: There is. A couple of things.

One is, with regard to why not relying on the PA has created this new need for a completely different approach to the analysis. I don't -- I guess I'm somewhat at a loss as to why one equates with the other. Because as was in the draft EIS Staff Assessment, there was a description of the resources, there was a description of the potential impacts, then there was a discussion of some of the mitigation. I understand why not relying on the PA would change what the mitigation approach is. But I don't

understand why it totally changes the analysis. And when we -- we had been saying that the staff has everything that they need. This was saying that they had the factual basis to be able to make these determinations.

You know, Christopher just alluded to the fact that the PA was supposed to be describing additional fieldwork that needed to be done. That fieldwork has all been done. All of that information has been given to the BLM. And when the -- and it was shared with the CEC staff as well. And then we all know that there was the issues about whether that had to be returned to the BLM or not.

MR. GALLAGHER: But that was the information that was shared in December.

MS. GANNON: It was shared in December. So that there could be what was called a Class 3 report, which is the hundred percent fieldwork which is all of the recommendations about how these resources should be analyzed and which ones should be considered eligible. All of that was shared with staff in December. So that information has been there and has been available for quite some time.

So that limits this large number of 300 down to this couple of a dozen that we're describing.

So, again, I just -- I think what we are frustrated by is just the fact that at this point that

analysis is not further along. And, again, I understand why. We still believe that the PA is the appropriate way to go. But I can understand why saying you're not going to rely on the PA would make you have some work to do to identify your mitigation measures, but not to do the whole analysis.

MR. GALLAGHER: And as far as --

PRESIDING MEMBER BYRON: I'm sorry. Repeat that again.

MS. GANNON: I can understand why they would -if the staff decided that they were not going to rely on
the Programmatic Agreement for mitigation, they would have
to be coming up with their own mitigation measures, which
would take some time. But I don't think it would take two
months. If you had the analysis of the impacts and
analysis of the resources which has been available, I
don't know why mitigation would take that long to be able
to come up with meaningful measures.

So, again, the PA is just -- I don't understand why that's changed -- not doing the PA has changed the whole substantive considerations.

PRESIDING MEMBER BYRON: What about the fact that the PA continues to seem to take longer to be produced?

My recollection from the evidentiary hearing we conducted last month, it was going to be available mid-June. And

here now I think -- let me just look for a second, see if I can find it on here.

MS. GANNON: Because the date here is not right.

PRESIDING MEMBER BYRON: What number should I be looking at?

MR. THERKELSEN: Line number 19.

PRESIDING MEMBER BYRON: Number 19 shows 6/21.

And now I understand it's in to June, correct? July.

MS. GANNON: Because we are now going to draft three of it. So I mean I think when they first talking about the first draft and the second draft, there has been -- it's an iterative process, it's a consultation process.

PRESIDING MEMBER BYRON: Understood.

And so my question is, are we satisfied it's going to be available in July?

MS. GANNON: It is going to be part of the FEIS. And that is being released on July 16th. So it does have this -- it has this deadline.

PRESIDING MEMBER BYRON: Staff, Mr. Meyer or Ms. Holmes, would either of you care to respond to some of the things that we just heard from Ms. Gannon?

CEC PROJECT MANAGER MEYER: I'm trying to think of the appropriate way to start here.

PRESIDING MEMBER BYRON: Let me start. My sense

is that you've made every effort to try and keep this on schedule. Are you concerned as well that the Programmatic Agreement's not going to be available at any time or manner or not have sufficient information for a CEQA defensible analysis?

CEC PROJECT MANAGER MEYER: One of the reasons that staff had issue with continued reliance on the Programmatic Agreement is there were certain recommendations -- and as the applicant pointed out, this is a -- it's a collaborative process. This is not a staff document. This is something where staff can make comments and suggestions. But ultimately it's beyond staff's control as to whether those get into the document.

There are many things that staff asked for, the specificity in mitigation, that did not make it into the draft document, and staff has little hope will be in the final document. The absence of that information is the chief concern that staff has over this, it being a CEQA-compliant document or, you know, process, without that specificity, sort of as -- Bob talked about before and Caryn mentioned that we are looking for sort of performance standards, other -- you know, sort of a mitigation plan or, you know, for lack of a better -- you know, best management practices for cultural resources.

When we saw that was not likely to be in the

final document or if we weren't sure if it was going to be in the final document, that's when we pulled back.

And going back quite awhile, I sort of lost count at how many drafts have gone out on the cultural resource report. But I think the first one was 5,000, it went to 7, then went to 12,000.

And so there have been several iterations of the cultural resource report. Each one fixing, you know, either inconsistency or missing information. Or as one of the earlier documents that came out from the BLM is they did an audit of the report and had some concerns that the applicant has subsequently addressed and is -- I believe is addressed. And that was one of the things that was going to be addressed in the Programmatic Agreement as well was just truing up and closing any outstanding loops from the report that LSA did awhile back on some of the information in the initial cultural resource information.

So just because the record has concerns that we're raised on the cultural resource report, and also subsequently of how staff planned to handle it, we're trying to address all of those issues, which to do it well does take time.

But as I've said previously, I've brought in, you know, up to the deputy director to go over and help me talk to staff and the Environmental Office managers to

really express the need to get this out as fast as possible. And just because we agree to an August 2nd date, if they can get any sooner, they understand that they need to.

Assessment, no.

HEARING OFFICER RENAUD: All right. Thank you. That's helpful and somewhat reassuring. Appreciate that.

MS. GANNON: Can we ask for one clarification from staff?

HEARING OFFICER RENAUD: Please.

MS. GANNON: Just to make sure again so we don't have some big surprise.

Staff is not suggesting that additional fieldwork is needed for cultural resources investigation, are you?

STAFF COUNSEL HOLMES: Between now and the Staff

MS. GANNON: Or ever. I mean and we've done a hundred percent surveys which have been, you know, accepted by the BLM. I mean this would be a really -
CEC PROJECT MANAGER MEYER: Well, let me preface it.

There's a difference between surveys. You know, speaking as an archeologist, you know, generally on a large scale project you'll have three phases. Survey, that's your first phase. Second you do your analysis, you'll do evaluations, and then -- and that's going to be

subsurface. That's going to be excavation work where you're going to take -- and that's really, you know, generally accepted that's the only way to be certain that these 300 sites or the ones that you go out and you do excavations, shovel test units, scrapes, whatever it is, which are different depending on the environment and the type of site you have. You go from that to an understanding that, you know, a great number of the sites may not be culturally significant or may not add additional information into the record. You have to also take into account traditional cultural properties, other issues that go into that significance.

And then your final phase, you know, your Phase 3, is when you have a significant site that is unavoidable, and you'll go and you'll do daily recovery. And that the mitigation is basically taking a small percentage, five percent or 10 percent, of the site and taking that information, curating it, doing the reports. And that offsets the loss of that cultural resource.

And avoidance is also -- is the preferred alternative on that.

So I'm not taking the necessity for doing fieldwork on sites that are unavoidable off the table.

MS. GANNON: Okay. No, no. Right. That's fine.

25 | I just -- and there are recommendations in our report,

which obviously we can't go into detail, but for areas where there was additional excavation that was needed to be able to do the criteria evaluation. And that's fine.

CEC PROJECT MANAGER MEYER: Right. And that's all I'm talking about is like either if a site can't be avoided, there might be fieldwork; or if there are sites where we know that there's a site there, we're not sure what it's significance, there might be additional work necessary. That's all we're talking about.

MS. GANNON: Favored approached, that's -- you just gave us a heart attack for a moment, so thank you for the clarification.

HEARING OFFICER RENAUD: All right. Thank you, everyone.

I think we've gotten a good input from all of you. And before we proceed to adjournment, let me ask, anything further from intervenor Cure?

MS. MILES: I just wanted to add a quick follow-up on this conversation. And in particular I know the applicant was referring to the December report that staff has had since December, which was a draft report. And I know the BLM concern about releasing draft reports is that there may be inaccuracies in them.

And something that was brought up during that separate hearing regarding -- evidentiary hearing

regarding those draft reports and whether they should be released was that BLM's Dr. Charlotte Hunter said that the draft report is -- hands them out to inaccurate information, because they go back and they do a lot of analysis after the draft report.

So I would encourage staff to look to the final report, you know, before concluding analysis. And what we were told at the meeting last week with the BLM was that the final report should be out this week, and that it should also be shared with other consulting parties who have not yet had a chance to see it including the tribal members that would be identifying a lot of the resources that are traditional cultural properties.

So that's a key part of this puzzle that needs to be taken into account.

HEARING OFFICER RENAUD: Thank you.

Intervenor California Native Plants Society, if you joined us, do you wish to say anything?

No.

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Mr. Budlong, anything to add?

MR. BUDLONG: No comment.

HEARING OFFICER RENAUD: Thank you.

Alimamaghani?

Nothing.

All right. I think we've accomplished what we

came here to do.

Any final remarks, Commissioner?

PRESIDING MEMBER BYRON: Thank you, Mr. Renaud.

Wow, great start to the first day of summer, you all.

(Laughter.)

PRESIDING MEMBER BYRON: You know, the Committee plans to issue a scheduling order. That was the purpose of this scheduling status conference, was to see if we can get the sufficient information. And Mr. Renaud, I'm sure, is going to do his best to coordinate schedules, based upon those of our intervenors, the applicant, staff, all the parties, for evidentiary hearings and briefing dates, et cetera. And also when we can realistically expect input and documents from the BLM.

It's certainly the goal of this Committee to provide a complete and defensible PMPD in a timely manner. And I have to mention that I want to make sure there's sufficient time for everyone's review. We're always concerned about that. There was not a great deal of discussion about that in this hearing today -- I'm sorry -- the status conference today.

But there is a lot on the line. These projects -- these ARRA-funded projects are extremely important to the State of California, and so we're going

to continue to push hard on schedule. But I want to make sure everyone understands we are not going to compromise the public process along the way.

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I'm not terribly satisfied this project is on schedule. We've got a lot of late changes that have come in in recent months from the applicant. Those were not necessarily discussed today. I know there's a great deal of analysis that's underway.

And I appreciate the input that we received from the applicant with regard to a draft schedule - that's very helpful - all the comments that were received today. And I know the staff is working diligently to try and meet the ultimate deadline of the schedule.

But I want to make sure that we do have sufficient review time on the part of all the parties that are involved in this case.

Mr. Renaud, I think you have your work cut out trying to figure that schedule out in a timely manner so that we can issue it.

I would like to thank everyone for being here today and for those of you on the phone. The Information we gathered today was very helpful, and I think we will be able to put out an order.

Do you agree, Mr. Renaud?

HEARING OFFICER RENAUD: I do. I do. We can

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expect that very shortly.
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              PRESIDING MEMBER BYRON: So no further comments.
              We'll be adjourned.
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              Thank you.
              HEARING OFFICER RENAUD: Thank you.
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              (Thereupon the hearing adjourned at 11:27 a.m.)
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CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand
Reporter of the State of California, and Registered
Professional Reporter, do hereby certify:

That I am a disinterested person herein; that the foregoing California Energy Commission hearing was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California;

That the said proceedings was taken before me, in shorthand writing, and was thereafter transcribed, under my direction, by computer-assisted transcription.

I further certify that I am not of counsel or attorney for any of the parties to said hearing nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of June, 2010.

2.4

JAMES F. PETERS, CSR, RPR
Certified Shorthand Reporter
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